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Dr. Joshua Lederberg President The Rockefeller University 1230 York Avenue New York, NY 10021

Dear Dr. Lederberg:

I thought it advisable to send you a brief status report along with your quarterly honorarium.

As you know, our SDL AI program started with a collection of research reports from MIT. To it, we've already added Stanford, SRI International, Purdue, Maryland, and Rutgers -- with Carnegie-Mellon, Xerox PARC, Yale, Edinburgh, Brown, Massachusetts, Pennsylvania, Bolt Beranek and Newman, and others coming along in fiscal 1985.

Our sales of these collections were right on target for the six calendar months of 1984. For the next six months, we're projecting sales several times as great.

These are several reasons why we anticipate this sales increase.

Particularly important, Information Handling Services and John Wiley and Sons, Inc., are now geared up for a major marketing campaign in the industrial (and government and military) and overseas markets, respectively. These are the markets (as indicatred by Business Week) in which we anticipate the most growth. Until now, most of our sales have been in the academic market.

But there are other reasons for our optimism for larger revenues in the current fiscal year.

First, we shall be bringing out specialized "subsets" cutting across all the collections. These will open up specialized markets (Medical, Robotics, Expert Systems, etc.) heretofore untouched.

In addition, this fall we will be publishing On-going, Current Reports for most of our collections. A great many reports from the first half of 1984 are already in hand and will be available on a subscription basis to our customers.

I am also delighted to be able to tell you about a major new project -- Wiley/Comtex Artificial Intelligence Video Tutorials in cooperation with the American Association for Artificial Intelligence. Based on heavily oversubscribed tutorials offered by the AAAI at their Annual Meetings, we anticipate a major market for these materials in business, and government and military agencies who must keep abreast of this critical technology if their company or agency (and the United States!) is to keep one step ahead -- and perhaps even to survive.

Finally, Comtex will soon be announcing TEXLINK (), a turn-key private videotext system. Among other applications, this proprietary generic software will enable SDL to offer online access to the AI abstract database -- as well as new databases coming along in computer and other sciences.

As always, we would be pleased to meet with you any time you're coming through New York City. We will try to schedule a meeting for the entire Scientific Advisory Board late fall if we can find a time that works for everyone.

Sincere My,

Herb Nagourney

HN/mp Encl.